

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO CA 95814-5112

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Deputy A. Consul

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DATE <u>NOV 02 2007</u>
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November 2, 2007
FILED
Gregory J. Smith, Recorder/County Clerk

NOV 15 2007

A. Consul

DOCKET 07-AFC-6
DATE <u>NOV 02 2007</u>
RECD. <u>NOV 02 2007</u>

TO: AGENCY DISTRIBUTION LIST

BY _____
DEPUTY**REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE CARLSBAD ENERGY CENTER PROJECT, APPLICATION FOR CERTIFICATION (07-AFC-6) – SUPPLEMENTAL INFORMATION**

On October 24, 2007, the California Energy Commission received a supplement to the Carlsbad Energy Center, LLC, Application for Certification (AFC). This supplemental information provided additional information and more detailed explanations about the information contained in the original AFC. On October 31, 2007, the Energy Commission found that, with the supplement, the application is data adequate.

Background

On September 14, 2007, Carlsbad Energy Center, LLC, (the Applicant) submitted an AFC) for the Carlsbad Energy Center Project to the California Energy Commission to develop a thermal power plant at the existing Encina Power Station in the city of Carlsbad, California. The proposed project would be a 558 megawatt (MW) combined-cycle generating facility and would connect to the electrical transmission system via 138 kilovolt (kV) and 230 kV lines that connect to the nearby existing San Diego Gas & Electric switchyards at the Encina Power Station.

AFC Process

The Carlsbad Energy Center Project is under the Energy Commission's jurisdiction. The Energy Commission is responsible for reviewing and ultimately approving or denying all thermal electric power plants, 50 MW and greater, proposed for construction in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts and engineering aspects of proposed power plants, and all related facilities such as electric transmission lines, sewer, water, and natural gas pipelines. The issuance of a certificate by the Energy Commission is in lieu of any local, state, or federal permit (to the extent permitted by federal law). The Energy Commission's responsibilities are those of a lead agency under CEQA, except the Energy Commission's analysis takes the form of several environmental and decision documents rather than an Environmental Impact Report.

The first step in the review process was for Energy Commission staff to determine whether or not the AFC contains all the information required by our regulations. Now that the AFC is deemed data adequate, we will begin data discovery and issue analysis phases. During this time, a detailed examination of the issues will occur. There will be opportunities for your staff to confer with Energy Commission staff regarding issues of concern to your agency.

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Energy Commission staff will prepare a Preliminary Staff Assessment for review and comment and then a Final Staff Assessment which will be staff's testimony in evidentiary hearings. A Committee of two Commissioners will conduct hearings and then prepare a proposed decision for review and comment and then final consideration by the Energy Commission.

Agency Participation

Your agency's participation in the proceeding is encouraged and will allow you to identify and try to resolve issues of concern to your agency. There may be specific requests for agency review and comment during the proceedings now that the AFC has been determined to be data adequate. Local agencies may seek reimbursement for costs incurred in responding to these requests.

Over the coming months, the Energy Commission will conduct a number of public workshops and hearings on the proposal to determine whether the project should be approved for construction and operation and if so, under what set of conditions. These workshops will provide the public as well as local, State and federal agencies the opportunity to ask questions about, and provide input on, the proposed project. The Energy Commission will issue notices for these workshops and hearings at least 10 days prior to the meeting.

Your agency's preliminary and final determinations and opinions (such as those contained in a Determination of Compliance, wastewater discharge requirements, biological opinions, and land use decisions) would be due by **February 28, 2008** (120 days), and **April 29, 2008** (180 days), respectively.

Enclosed is a copy (CD) of the AFC Supplement in electronic format. If you would like to receive a hard copy of the AFC supplement, please contact Terry Piotrowski, Project Secretary, at (916) 653-4677, or by e-mail at tpiotrow@energy.state.ca.us. If you have questions, or if you would like additional information on local agency reimbursement or on how to participate in the Energy Commission's review of the project, please contact James W. Reede, Jr., Project Manager, at (916) 653-1245, or by email at jreede@energy.state.ca.us.

The status of the project, copies of notices, electronic version of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at www.energy.ca.gov/sitingcases/carlsbad. You can also receive email notification of all project related activities and availability of reports by subscribing to the Listserve on the website.

Sincerely,



Roger E. Johnson, Manager
Energy Facilities Siting and Compliance Office

Enclosure